

## **Operating Revenue Chart of Accounts**

### **1. SALES OF GAS**

- 480 Residential sales.
- 481 Commercial and industrial sales.
- 482 Other sales to public authorities (Major only).
- 483 Sales for resale.
- 484 Interdepartmental sales.
- 485 Intracompany transfers.

### **2. OTHER OPERATING REVENUES**

- 487 Forfeited discounts.
- 488 Miscellaneous service revenues.
- 489 Revenues from transportation of gas of others.
- 490 Sales of products extracted from natural gas.
- 491 Revenues from natural gas processed by others.
- 492 Incidental gasoline and oil sales.
- 493 Rent from gas property.
- 494 Interdepartmental rents.
- 495 Other gas revenues.
- 496 Provision for rate refunds.
- 497 Penalty revenue.
- 498 Utility incentive revenue.

## **Operating Revenue Accounts**

### **480 Residential sales.**

A. This account shall include the net billing for gas supplied for residential or domestic purposes.

B. Records shall be maintained so that the quantity of gas sold and the revenues received under each rate schedule shall be readily available.

NOTE: When gas supplied through a single meter is used for both residential and commercial purposes, the total revenue shall be included in this account or account 481, Commercial and Industrial Sales, according to the rate schedule which is applied. If the same rate schedules are applicable to both residential and commercial service, classification shall be according to principal use.

#### **481 Commercial and industrial sales.**

A. This account shall include the net billing for gas supplied to commercial and industrial customers.

B. Records shall be maintained so that the quantity of gas sold and revenue received under each rate schedule shall be readily available.

C. (Major companies) Records shall be maintained so as to show separately the revenues from commercial and industrial customers, as follows:

Large commercial and industrial sales (wherein shall be included the revenues from customers which use large volumes of gas, generally in excess of 200,000 Mcf per year or approximately 800 Mcf per day of normal requirements. Reasonable deviations are permissible in order that transfers of customers between the large and small classifications may be minimized).

Small commercial and industrial sales (wherein shall be included the revenues from customers which use volumes of gas generally less than 200,000 Mcf per year or less than approximately 800 Mcf per day of normal requirements).

NOTE: When gas supplied through a single meter is used for both commercial and residential purposes, the total revenue shall be included in this account or in account 480, Residential Sales, according to the rate schedule which is applied. If the same rate schedules are applicable to both residential and commercial service, classification shall be according to principal use.

#### **482 Other sales to public authorities (Major only).**

A. This account shall include the net billing for gas supplied to municipalities or divisions or agencies of Federal or State Governments, under special contracts or agreements or service classifications, applicable only to public authorities, for general governmental and institutional purposes, except any revenues under rate schedules the revenues from which are includible in account 481 or 483, and except any revenues from gas used for purposes such as powerplant fuel for publicly owned electric systems, manufacturing processes of arsenals, etc., and other major uses of gas which appropriately may be classified in account 481, Commercial and Industrial Sales.

B. Records shall be maintained so that the quantity of gas sold and the revenue received from each customer and from each major special contract shall be readily available.

#### **483 Sales for resale.**

A. This account shall include the net billing for gas supplied to other gas utilities or to public authorities for resale purposes.

B. Records shall be maintained so that there shall be readily available the revenues for each customer under each revenue schedule and the billing determinants, as applicable, i.e.,

volume of gas (actual and billing), contract demand, maximum actual demand, billing demand, and Btu adjustment factor.

NOTE: Revenues from gas supplied to other public utilities for use by them and not for distribution, shall be included in account 481, Commercial and Industrial Sales, unless supplied under the same contract as and not readily separable from revenues includible in this account.

#### **484 Interdepartmental sales.**

A. This account shall include amounts charged by the gas department at tariff or other specified rates for gas supplied by it to other utility departments.

B. Records shall be maintained so that the quantity of gas supplied each other department and the charge made therefore shall be readily available.

#### **485 Intracompany transfers**

A. This account shall include, for informational purposes only, the amount recorded for gas supplied by the production division when the price is not determined by a cost-of-service rate proceeding.

B. Records shall be maintained so that the quality of gas transferred shall be readily available.

#### **487 Forfeited discounts.**

This account shall include the amount of discounts forfeited or additional charges imposed because of the failure of customers to pay gas bills on or before a specified date.

#### **488 Miscellaneous service revenues.**

This account shall include revenues from all miscellaneous services and charges billed to customers which are not specifically provided for in other accounts.

### **ITEMS**

1. Fees for changing, connecting, or disconnecting service.
2. Profit on maintenance of appliances, piping, gas firing, and other utilization facilities, or other installations on customers' premises.
3. Net credit or debit (cost less net salvage and less payment from customers) on closing work orders for plant installed for temporary service of less than 1 year. (For Major Companies, see account 185, Temporary Facilities.)
4. Recovery of expenses in connection with gas diversion cases. (Billing for the gas consumed shall be included in the appropriate gas revenue account.)
5. Services performed for other gas companies for testing and adjusting meters, changing charts, etc.

#### **489 Revenues from transportation of gas of others.**

This account includes revenues from transporting gas for other companies through the production, transmission, and distribution lines, or compressor stations of the utility.

#### **490 Sales of products extracted from natural gas.**

A. This account shall include revenues from sales of gasoline, butane, propane, and other products extracted from natural gas, net of allowances, adjustments, and discounts, including sales of similar products purchased for resale.

B. Records shall be maintained so that the quantity, sales price, and revenues for each type of product sold to each purchaser shall be readily available.

#### **491 Revenues from natural gas processed by others.**

A. This account shall include revenues from royalties and permits, or other bases of settlement, for permission granted others to remove products from natural gas of the utility.

B. The records supporting this account shall be so maintained that full information concerning determination of the revenues will be readily available concerning each processor of gas of the utility, including as applicable (a) the Mcf of gas and approximate average Btu content thereof per cubic foot delivered to such other party for processing, (b) the Mcf of gas and approximate average Btu content thereof per cubic foot of gas received back from the processor, (c) the field, general production area, or other source of the gas processed, (d) Mcf of gas used for processing fuel, etc., which is chargeable to the utility, (e) total gallons of each product recovered by the processor and the utility's share thereof, (f) the revenue accruing to the utility, and (g) the basis of determination of the revenues accruing to the utility. Such records shall be maintained even though no revenues are derived from the processor.

#### **492 Incidental gasoline and oil sales.**

This account shall include revenues from natural gas gasoline produced direct from gas wells or recovered from drips or obtained in connection with purification or dehydration processes, and revenues from oil obtained from wells which produce oil and gas, the investment in which is carried in accounts 330, Producing Gas Wells--Well Construction, and 331, Producing Gas Wells--Well Equipment.

#### **493 Rent from gas property.**

A. This account shall include rents received for the use by others of land, buildings, and other property devoted to gas operations by the utility.

B. When property owned by the utility is operated jointly with others under a definite arrangement for sharing the actual expenses among the parties to the arrangement, any amount received by the utility for interest or return or in reimbursement of taxes or depreciation on the property shall be credited to this account.

NOTE: Do not include rent from property constituting an operating unit or system in this account. (See account 412, Revenues From Gas Plant Leased to Others.)

#### **494 Interdepartmental rents.**

This account shall include credits for rental charges made against other departments of the utility. In the case of property operated under a definite arrangement to allocate actual costs among the departments using the property, any allowance to the gas department for interest or return and depreciation and taxes shall be credited to this account.

#### **495 Other gas revenues.**

This account shall include revenues derived from gas operations not includible in any of the foregoing accounts.

#### **ITEMS**

1. Commission on sale or distribution of gas of others when sold under rates filed by such others.
2. Compensation for minor or incidental services provided for others such as customer billing, engineering, etc.
3. Profit or loss on sale of material and supplies not ordinarily purchased for resale and not handled through merchandising and jobbing accounts.
4. Sales of steam, water, or electricity, including sales or transfers to other departments of the utility.
5. Service charges for storing gas of others.
6. Miscellaneous royalties received.
7. Revenues from dehydration and other processing of gas of others, except products extraction where products are received as compensation and sales of such are includible in account 490, Sales of Products Extracted From Natural Gas, and except compression of gas of others, revenues from which are includible in account 489, Revenues from Transportation of Gas of Others.
8. (Major companies) Include in a separate subaccount revenues in payment for rights and/or benefits received from others which are realized through research, development, and demonstration ventures. In the event the amounts received are so large as to distort revenues for the year in which received (5 percent of net income before application of the benefit) the

amounts shall be credited to Account 253, Other Deferred Credits, and amortized by credits to this account over a period not to exceed 5 years.

#### **496 Provision for rate refunds.**

A. This account shall be charged with provisions for the estimated pretax effects on net income of the portions of amounts being collected subject to refund which are estimated to be required to be refunded. Such provisions shall be credited to Account 229, Accumulated Provision for Rate Refunds.

B. This account shall also be charged with amounts refunded when such amounts had not been previously accrued.

C. Income tax effects relating to the amounts recorded in this account shall be recorded in account 410.1, Provision for Deferred Income Taxes, Utility Operating Income, or account 411.1, Provision for Deferred Income Taxes--Credit, Utility Operating Income, as appropriate.

#### **497 Penalty revenue**

This account shall be credited with penalty revenues billed to utility end users in accordance with utility tariffs.

#### **498 Utility incentive revenues**

This account shall be used to record the utility incentive revenue from gas supply, including bundled sales and capacity releases.